



Department of Justice

FOR IMMEDIATE RELEASE
THURSDAY, JUNE 23, 2005
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FORMER CHEMICAL SALESMAN AGREES TO PLEAD GUILTY TO CONSPIRACY CHARGES

WASHINGTON, D.C. -- A former salesman for a Georgia-based chemical manufacturer has agreed to plead guilty to participating in two conspiracies to defraud his former employer, the Department of Justice today announced.

According to the two-count felony charge filed today in the U. S. District Court in Atlanta, Patrick J. Crowe III, a former chemical salesman for the Cartersville, Georgia corporation Chemical Products Technologies, LLC (CPT), participated in two separate conspiracies to commit mail fraud and deprive CPT of its right to the honest services of its employees. While employed as a salesman by CPT, Crowe received kickback payments from the owner and operator of an independent Tennessee trucking company in exchange for ensuring that the trucking company received business from CPT. In addition to the kickback payments, Crowe diverted profits from CPT and used the money for his own personal benefit.

“These types of schemes deprive companies of their right to the honest services of their employees and to fair and competitive pricing,” said Scott D. Hammond, Deputy Assistant Attorney General in charge of the Antitrust Division’s Criminal Enforcement Program.

From approximately July 2000 to October 2003, Crowe and his co-conspirators participated in a kickback scheme involving the hauling of anthraquinone, a pulping additive used to increase production in the pulp and paper industry. Kickback payments were made to Crowe’s shell corporation at an agreed-upon rate for each load of anthraquinone hauled for CPT.

In order to facilitate this scheme, Crowe and his co-conspirators mailed and/or caused to be mailed inflated invoices, kickback checks, and other documents pertaining to the fraudulent scheme.

According to the second conspiracy charge, from April 2002 to December 2002, Crowe and his co-conspirators misled CPT to believe that CDFD Inc., a Wyoming corporation owned by Crowe, was an escrow agent with no ownership connection to Crowe or anyone else employed by CPT. CPT was also led to believe by Crowe and his co-conspirators that funds generated by CPT's glyphosate business and placed in a CDFD Inc. business account would be used to pay CPT's suppliers. Glyphosate is a herbicide used to control grasses and weeds. Crowe and his co-conspirators then diverted funds from the CDFD Inc. business account for their own personal use.

Crowe is charged with conspiracy, a violation of 18 U.S.C. § 371, which carries a maximum term of imprisonment of five years and a maximum fine of \$250,000 for an individual for each count. The maximum fine may be increased to twice the gain derived from the crime or twice the loss suffered by the victims of the crime, if either of those amounts is greater than the statutory maximum fine.

Today's charges are the first to arise out of an ongoing investigation in the Northern District of Georgia being conducted by the Antitrust Division's Atlanta Field Office. Anyone with information concerning price-fixing, bid-rigging or kickback schemes in the anthraquinone or glyphosate industries should contact the Atlanta Field Office of the Antitrust Division at (404) 331-7100.

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